The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor occurring in the industrial, legislative, and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

Entered as second-class matter September 26, 1912, at the Post Office at Washington, D. C., under the Act of August 24, 1912.
Acceptance for mailing at special rate of postage provided for in Sec. 1103, Act of October 3, 1917, authorized July 11, 1918.

WHOLE NO. 1969 | WILLIAM GREEN, President | WASHINGTON, D. C., TUESDAY, JANUARY 4, 1949 | GEORGE MEANY, Secretary-Treasurer | VOL. 39, NO. 1

Fight Polio
Give to the
March of Dimes

Advisory Council Urges Improvement In Unemployment Insurance Program

Washington.—The Advisory Council on Social Security reported to Congress on the deficiencies of the present state-federal unemployment insurance system and recommended a 16-point program for its improvement.

In a report to the Senate Finance Committee, the council, which is composed of 17 prominent labor, business, and educational leaders under the chairmanship of Edward R. Stettinius, former Secretary of State, proposed greater benefits and a broadening of the system to include about 7,000,000 workers who are now excluded from unemployment insurance protection.

Nelson H. Cruikshank, director of the AFL's social insurance activities, served on the council as a representative of the American Federation of Labor.

The report highlights the following deficiencies in the present system which the council singled out for special criticism:

1. Inadequate coverage. — Only about 7 out of 10 employes are now covered by unemployment insurance.

2. Benefit financing which operates as a barrier to liberalize benefit provisions.—The present arrangements permit states to compete in establishing low contribution rates for employers and therefore discourages the adoption of more adequate benefit provisions.

3. Irrational relationship between the contribution rates and the cyclical movements of business.—The present arrangements tend to make the contribution rate fluctuate inversely with the volume of employment, declining when employment is high and when contributions to the unemployment compensation fund are easiest to make and increasing when employment declines and when the burden of contributions is greatest.

4. Administrative deficiencies.—Improvement is needed in methods of financing administrative costs, provisions for determining eligibility and benefit amount in interstate claims, procedures for developing interstate claims, and methods designed to insure prompt payments on all valid claims and to prevent payments on invalid claims.

5. Lack of adequate employe and citizen participation in the program—Workers now have less influence on guiding the administration of the program and developing legislative policy than they should, and some employes, employers, and members of the general public tend to regard unemployment compensation as a handout rather than as social insurance earned by employment, financed by contributions, and payable only to those who satisfy eligibility requirements.

The 16-point program for action by Congress was designed to correct these deficiencies, the report declared. Among the recommendations, the following are of special significance to organized labor:

1. The council urged lifting the limitation which excluded employes of small firms from coverage under the Federal Unemployment Tax Act.

2. Employes of nonprofit organizations with the exception of clergymen and members of religious orders, should be granted the benefits of coverage by law, the council said.

3. The council urged the development of a procedure under which wage credits earned in more than one state may be combined for the purposes of the law.

4. On the subject of disqualifications, the report recommended a federal standard which would prohibit the states from (1) reducing or canceling benefits as the result of a disqualification except for fraud, (2) disqualifying those who are discharged because of inability to do the work, and (3) postponing benefits for more than 6 weeks as the result of disqualification except for fraud.

While signing the report, 5 members of the council appended a statement declaring in their opinion that regardless of the improvements made in the existing system, anything short of a national plan to replace the present state-federal system would not achieve the most desirable objective of attaining a highly efficient unemployment insurance program. These were: Nelson Cruikshank, Sumner H. Slichter, Harvard University professor; J. Douglas Brown, of Princeton University; John Miller, assistant director of the National Planning Association, and Emil Rieve, president of the CIO's Textile Workers Union.

WEST COAST REPORT

By PAT FRAYNE

West Coast Correspondent for AFL News Service

San Francisco.—Recognizing that California has been the hardest hit by infantile paralysis in epidemic form, the California State Federation of Labor, through Secretary-Treasurer C. J. Haggerty, is calling on all union members to join in the March of Dimes drive January 14-31.

Early and all-out endorsement of the drive by the National Foundation for Infantile Paralysis for funds was given this week in the California AFL News Letter. Members of organized labor were called upon to assist in raising funds for the campaign.

California had 5,664 cases listed up to December 18, nearly 7 times more than the total of 848 cases for the entire year of 1947.

North Carolina is second with 2,500 cases, and Texas third with 1,750 cases.

So serious was the epidemic that by September 30 the state had to be aided by a national emergency fund, with more than $717,000 being sent this state by the National Foundation, New York. Counties in California which had not suffered too heavily contributed an additional $106,000 from their chapter funds.

On a national scale there were more than 27,000 cases in 1948, as compared with 10,737 in 1947.

San Francisco.—It is better than a well founded rumor that President Truman's national health program is going to meet with $3,000,000 worth of opposition as Congress convenes and gets under way.

At least that's the figure placed by authoritative public relations men of the West Coast on the sum that is being collected to nullify the effort to ease the nation's doctor bills and save the folks from the high cost of sickness.

Selected as the director of the campaign is one, Clem Whitaker of San Francisco, who a few years ago did a "good" job in defeating Governor Earl Warren's compulsory health insurance law by labelling it "socialized medicine" in the press and airlanes. The success of that venture, in which California doctors assessed themselves $100 each for the purpose, won Whitaker national consideration for the present campaign.

In addition to headquarters in San Francisco, there will also be headquarters in Chicago and Washington, D. C. There will be the lure of newspaper advertising as well as over-all publicity strategy as an opiate to those who fear the word "socialized." Topping these techniques will be some of the "finer" lobbyists who know the difference between the old Congress Office Building and the new building.

It will be a pretty show to watch—a $3,000,000 extravaganza which might even work.

AFL's American Federation of Teachers Opposes Use of Members in Census Jobs

Chicago.—The National Executive Council of the AFL's American Federation of Teachers, meeting in Chicago, took an emphatic stand in opposition to a proposal that the nation's schools be closed so the teachers can be used as enumerators in taking the 1950 census.

The national body also emphasized that any participation by teachers in the census taking should be on a purely voluntary basis without any pressure from administrators. The council also recommended that not only teachers but other professional persons, such as lawyers, doctors and dentists, should be called upon to assist in the census and that the regular wage scales of professional employes should be paid for such services.

The full statement issued by the national officers of the A. F. of T., which is a professional organization of classroom teachers, is as follows:

We believe that if any teacher wishes to apply for the position of enumerator, he should apply as an individual citizen.

We believe that no application should be solicited, accepted or transmitted by school administrators.

We believe that we should oppose any change in the school calendar to have the teachers participate in the program since any such change would adversely effect the statutory school year and interfere with the teacher's vacation period at which time many are called upon to meet personal agreements previously made.

We believe that since the salary offered enumerators now is not even as high as that offered teachers, it would therefore be doubly unjust to "expect" teachers to work at a reduced scale in their vacations.

We believe that it is essential that the National Advisory Committee be enlarged to include at least two A. F. of T. classroom teachers.

PRODUCTION IN BRITAIN SETS NEW PEACETIME MARK

London.—Britain's production level last October reached the highest point in the nation's peacetime history, according to the Central Statistical Office's provisional index figure of 127, it was said here.

The figure, which is based upon the output in 1946 fixed at 100, compares with a figure of 120 for the month of October, 1947.

FEDERAL WORK FORCE RISES

Washington. — The government's civilian work force at home rose 16,400 last month to a total of 1,896,000. Reporting this, the Civil Service Commission noted that the capital itself had 211,000 at work on Dec. 1, a rise of 1,600 in the month. The figures are for executive departments and agencies. Inside and outside the country, the employment total was 2,100,200.

Norwegian Labor Leaders Hail Marshall Plan Aid

Washington.—The Marshall Plan was hailed here as an invaluable aid by Norwegian labor leaders who are battling against heavy odds in their efforts to strengthen Norway's economy and to resist Communist attempts to weaken the nation.

This view was expressed by Haakon Lie, secretary-general of the Norwegian Labor party, and spokesman for a group of Norwegian labor representatives who are visiting this nation under the auspices of the Economic Cooperation Administration.

The delegation is in the United States to study American production methods. It is the first group to visit this nation under the Technical Assistance Program which is supported by the Marshall Plan.

At a press conference at ECA headquarters, Mr. Lie declared that the European Recovery Program has enabled Norway to keep her factories operating and to maintain full employment in the fact of dwindling financial assets, and the loss of large segments of the Norwegian merchant and fishing fleets during the war.

He stressed, however, that the Communists are trying incessantly to promote discord among industrial workers in Norway by a stream of propaganda aimed against the United States. The Communist party line, he said, is to portray the United States as an imperialist nation and the Marshall Plan as a means to enable Wall Street to capture and run the world.

To counteract this campaign, the Norwegian Labor party has mustered all its resources to educate the workers on the real value and purposes of the foreign aid program. The victory of President Truman in the election was a great boost for their campaign, Mr. Lie declared.

While stressing that the propaganda battle is not over and has not been won completely, Mr. Lie reported that the Communists have been successful in gaining a measure of control over only one Norwegian union. The Norwegians, he reported, are working hard to rebuild their economy and to cooperate with other western powers in the fight against Communist infiltration and expansion. Since 1945, he declared, there has been only one strike in Norway and that was a small political strike instigated by the Communists in an effort to sabotage the Marshall Plan.

In addition to Lie, the delegation is composed of Kaare Hansen, president of the Oslo Federated Unions; Edvard Stenklev, president of the Norwegian Paper Industry Union; Mathias Osland of the Aluminum Workers Union; Alf Rummelhoff of the Confectionery Workers Union; Hans Johnson of the Sheet Metal Workers Union, and Eghil Ahlsen, an industrial engineer employed by the Norwegian Federation of Labor.

AFL Preparing to Urge 30-Hour Week to Maintain Employment if Slump Comes

Washington.—The American Federation of Labor is studying a proposal for a 30-hour week as a means of spreading employment and maintaining 60,000,000 jobs in the event of a slackening in the present business boom.

This was announced by Daniel W. Tracy, president of the AFL's International Brotherhood of Electrical Workers and head of the AFL's shorter workday committee, which was created to study the employment problem.

"We don't know how long present employment will continue," Mr. Tracy added, "but we must be prepared to move toward a shorter work week when the Marshall European recovery plan and the rearmament program are no longer sufficient to carry us along."

He declared that the drive for a shorter work week was only in the "preparedness stage," and that the union had a "tremendous educational job" both among labor and management to "sell" them on the idea.

While there had been some slackening in employment and some cutbacks in production recently, he said that economic conditions generally were expected to remain good enough to delay the start of the real drive until the AFL's convention next October.

A series of layoffs recently developed in the textile, shoe and other "soft goods" industries. The railroads also have been laying off men because of a drop in rail traffic.

The ultimate goal of the AFL's program is to maintain 60,000,000 jobs and to stave off the kind of mass unemployment that resulted from the depression in the 1930's.

The "watchdog" committee, Mr. Tracy said, was made up of the research staffs of the AFL, the Electrical Workers and other unions. The group will make its first report at a meeting of the parent union's executive council in Miami on January 31.

The committee was authorized by the AFL's 1948 convention. It is studying the possible impact on employment of any cut-back in the European Recovery Program or a cut in defense spending if peace should be restored to the world.

In addition, the committee is weighing the probable effect on the job market of improved production methods, including time and motion studies, incentive systems and similar proposals for boosting output per man.

Mr. Tracy said that the AFL was not opposed to these methods as long as they did not destroy the worker's earning power and as long as the union had a voice in setting wage standards.

He held that the fears of some industrialists that a shorter work week would lead to a drop in production were groundless. In fact, the drive for a 30-hour work week, he said, very well might guarantee a better distribution of the increased production stemming from mechanization of industry.

Hog Prices in Sharp Drop To Lowest Level Since 1946

Chicago—Consumers' hopes for lower meat prices were raised here when a flood of hogs pouring into livestock markets dropped the price to the lowest level since 1946.

Receipts on a recent day were the heaviest since June, 1944. The top price for best grade hogs was $21 a hundred pounds, lowest since Oct. 14, 1946, when the OPA ceiling on hogs stood at $16.25.

Arrivals totaled 27,000 head. Last year's peak day was April 19, when 21,000 head arrived. The Chicago & North Western Railway reported it alone unloaded 120 railroad cars of livestock here.

Prices dropped $1 to $1.50 a hundred pounds.

Agriculture Department sources said the livestock trade was surprised by the sudden outpouring of hogs. They said the trade thought it may have been tied in with tax considerations as money received from today's sales would not be computed on 1948 income tax returns.

All other livestock markets also reported heavy receipts. Arrivals at 12 leading markets amounted to 163,000 head. On the first day of trading in 1948, which was Friday, January 2, total receipts were 101,900 head.

The day's best price of $21 compared with an all-time record here of $31.85, made August 19, 1948.

Job Rights of Drafted State Employes Not Covered by Selective Service Law

Washington. — The reemployment provisions of the Selective Service Act of 1948, like those of previous acts, cover employes of private employers and the federal government, but not employes of states and their political subdivisions, Robert K. Salyers, director of the Bureau of Veterans' Reemployment Rights, declared here.

Both the old and the new reemployment statutes declare it to be the sense of Congress that states and municipalities should accord their employes reemployment rights similar to those given ex-servicemen by the federal statutes. Salyers pointed out, however, that such restoration is dependent upon state laws. Many states adopted legislation or personnel policies insuring reemployment of their employes who returned from the armed services, but in some instances, these statutes have expired and must be reenacted if persons entering under the Selective Service Act of 1948 are to be adequately protected.

Field representatives of the Bureau of Veterans' Reemployment Rights have been instructed to ask state reemployment rights committees to bring this matter to the attention of appropriate state officials, since most state legislatures will be in session in 1949, Salyers said.

U. S. POPULATION RISES; TOTAL PUT AT 148,000,000

Washington.—The Bureau of the Census reported the population of the United States stood at about 148,000,000 at the year's end, roughly 12.5 percent higher than the 131,669,275 counted in the last decennial census in 1940.

The final approximation for 1948 represented a population increase during the year of about 3,000,000.

High Court Backs State Bans On Union Security Provisions

Arizona, N. Carolina, Nebraska Statutes Upheld in Ruling

Washington. — Organized labor suffered a blow here when the Supreme Court upheld 3 state laws prohibiting the closed shop or other union membership requirements for employment.

The high court held that the so-called "right-to-work" laws in Arizona, Nebraska and North Carolina do not violate the constitutional rights of union members.

The effect of the rulings will be to spur the campaigns of organized labor to repeal the Taft-Hartley law and the various state anti-labor statutes designed to curb the activities of unions.

The court's decisions in the Nebraska and North Carolina cases were unanimous, while there was only one dissent, by Justice Murphy, in the Arizona ruling. The cases were brought before the court by lawyers representing the American Federation of Labor.

The state laws specify that no labor contract or agreement shall deny a person the right to obtain or retain a job because he does not belong to a labor union.

In addition to banning the closed shop, under which only union members may be hired, they are held to prohibit such variations as the union shop, which requires workers to join a union after employment, and "maintenance of membership" provisions which require that those who join unions must remain in good standing for stated periods.

The Labor Department said that 12 states have similar "anticlosed shop" laws, and four others regulate union membership requirements.

The state laws have been held applicable to interstate, as well as intrastate commerce, under the Taft-Hartley Act, for that act provides that where state laws restrict union membership more severely than the federal law, the state laws apply.

As a result, while the Taft-Hartley Act prohibits the closed shop but permits the union shop after qualifying elections, the National Labor Relations Board has refused to hold such elections where state laws prohibit them, even if interstate commerce is involved.

Justice Black, writing the majority opinion in the Nebraska and North Carolina decisions, declared:

"Nothing in the language of the laws indicates a purpose to prohibit speech, assembly or petition. Precisely what these state laws do is to forbid employers acting alone or in concert with labor organizations deliberately to restrict employment to none but union members. . . .

"Just as we have held that the due process clause (of the Constitution) erects no obstacle to block legislative protection of union members, we now hold that legislative protection can be afforded nonunion workers."

Opposing the state laws in these cases, the AFL argued that they "do not regulate" but "flatly prohibit" closed shop contract agreements "without providing any substitute or equivalent for the function performed by such agreements in protecting labor organizations and making them effective."

Union leaders deplored such legislation which "injects itself not in the areas of conflict, but into an area of agreement," and infringes on workers' constitutional rights, they said.

The Arizona law differs from the others in that it does not prohibit discrimination against union workers, but only nonunion workers, Justice Black said in the majority opinion in that case.

But, he said, another Arizona statute invalidates contracts in which workers, as a condition of employment, agree not to join a labor union (so-called "yellow dog" contracts.)

CHILD LABOR VIOLATIONS COSTS EMPLOYER $5,950

Washington.—The government assessed a Butte, Mont., firm $5,950 on its contract to ship $400,000 worth of gravied horsemeat to starving people in Europe.

The assessment wasn't based on any question about the quality of the meat, but on a Labor Department examiner's finding that the Montana Horse Products Co. employed underage girls to fill the order.

The public contracts law requires payment of $10 for each day a girl under 18 is employed on government contract work.

The examiner found that the company worked 22 underage girls 595 days.

AFL MOVIE OPERATORS WIN NEW PAY INCREASE

Columbus, Ohio.—Robert W. Greer, president of Local 386 of the International Alliance of Theatrical Stage Employes and Moving Picture Machine Operators, AFL, announced that the union and theater owners signed a 23-month contract calling for a minimum of $54 a week.

The new contract, is to end 31 days before the 1950-51 New Year's eve rush business. It calls for a top salary of $70 for a 44-hour week, according to Mr. Greer. Salaries under the old contract, he said, ranged from $47 to $59.50 a week.

NLRB Examiner Says Taft-Hartley Law Affects Local Home Building Industry

Washington. — The Taft-Hartley law gives the National Labor Relations Board jurisdiction over labor disputes arising in the building construction industry, according to a decision rendered by an NLRB trial examiner.

The decision in a case involving a $325 electrical subcontract on a $15,000 house in Greenwich, Conn., completely reversed the traditional stand of the NLRB which, under the Wagner Act, kept hands off the industry.

Earl S. Bellman, the examiner, based his decision on the argument that the construction of the house was "embedded in a network of commercial relationships (which) * * * in their ramifications * * * manifestly affect commerce."

Mr. Bellman declared:

"It is apparent that numerous strands in the web of commerce, several of which crossed state lines, were interlaced in the construction of the Greenwich house. The fact that the value of the materials directly involved in its construction was not large is not controlling."

For more than a decade the NLRB held that the old Wagner Labor Relations Act did not give it jurisdiction over the building and construction industry, since interstate commerce was not involved.

However, when that law was succeeded by the Labor Management Relations (Taft-Hartley) Act, Robert N. Denham, general counsel, ruled that the industry, generally speaking, would come within the board's scope of operations. The new law gave the board jurisdiction over cases that "affect commerce."

Mr. Bellman's finding amounts to a recommendation which becomes a board order unless it is protested by the parties involved within 20 days. In this event, the NLRB itself might review the case.

The union, the Port Chester (N. Y.) local of the AFL's International Brotherhood of Electrical Workers contended that the Federal agency lacked jurisdiction in the Greenwich case, and urged the board, whatever its finding, not to accept jurisdiction because of "the small gross annual business" of the contractor involved.

Mr. Bellman said that Samuel Langer of Port Chester, the subcontractor, had bought materials and performed work for many concerns directly engaged in interstate commerce.

But after ruling against the union on the point of jurisdiction, the NLRB examiner dismissed charges of unfair labor practices against the AFL local. The charge was that the union had exercised illegal restraint and coercion on the Greenwich job and had conducted an unlawful secondary boycott against Mr. Langer.

Union Industries Show To be Gala Event in '49

Washington.—The Union Industries Show of 1949, sponsored by the AFL's Union Label Trades Department, and under the direction of I. M. Ornburn, promises to be one of the most brilliant attractions of the coming year.

This was apparent from a statement released by Mr. Ornburn on plans for the show which will be held this year in the gigantic auditorium in Cleveland, Ohio, from May 18 through May 22.

Commenting on the forthcoming gala event, Mr. Ornburn declared:

"The luxurious displays of union label goods and interesting demonstrations of union services will dramatize the art, skill and utility of the wondrous products made by manufacturers which have collective bargaining agreements with AFL unions.

"Union manufacturers and other business firms which employ members of AFL unions are eligible to participate in the exhibition and display their union-made goods. Other business establishments that employ members of unions for services are also eligible to demonstrate them. Several departments and many national and international unions of the American Federation of Labor have separate booths or display their products jointly with management.

"With the aid and cooperation of management, highly skilled union workers take great pride in exhibiting their high-quality goods. The beautiful pottery, glassware and other products are works of art. Electrical devices, modern home furnishings, exquisite hats and latest style wearing apparel will supply the exhibition with other gorgeous attractions. It is union management's and union workers' own show—the only one of its kind in the world.

"The armed services, including the U. S. Army, U. S. Navy and U. S. Air Force, will utilize an entire hall of the auditorium for displays of the latest defense equipment in newly designed exhibit booths. It will be one of the educational features of the show, featuring animated devices, moving models and extensive lighting and sound systems used by the air force. There will be a miniature demonstration of an atomic bomb explosion. The navy will not only have an interesting display inside the auditorium but it will have a 300-foot radar exhibit, under cover, outside of the auditorium. These exterior displays were helpful at the Milwaukee and St. Louis exhibitions to sustain the interest of the overflow crowds at each performance. The army will display some of its radar anti-aircraft equipment, some of which will be shown for the first time."

Veterans Administration Retains 4% Interest Rate on GI Mortgage Loans

Washington.—War veterans will still be able to get G-I loans with an interest rate of 4 percent, according to an announcement by Carl R. Gray, Veterans' Administrator.

In reporting the decision of the VA not to increase interest rates, Mr. Gray said he did not think a higher rate would help veterans get more homes.

The last Congress authorized Gray to increase the rate to 4½ percent with the consent of Treasury Secretary John W. Snyder. But Gray said that after consultations with government leaders, veterans and lending institutions, he had decided against making the increase now, although he would review the situation later "should economic conditions indicate the need for such a review."

". . . I have reached the conclusion that an increase in rates would not be in (veterans') best interests as the evidence fails to indicate that an increased rate will make more houses available to veterans," he stated.

He said about 23,000 veterans are obtaining home loans each month under the G-I program.

G-I loans are made by private banks and lending institutions. The government insures 50 percent of the amount of the loans, up to a maximum of $4,000 for purchase of a home or farm, and up to $2,000 for a purchase of a business. While the government insures only part of the loan, it fixes the interest rate the bank can charge for the entire loan.

There were claims that the 4 percent rate was too low to encourage banks to make loans. But Gray said about 15,000 veterans a month "can find loans they can afford and can obtain loans at 4 percent."

Meanwhile, in another development along the housing front, Representative Edith Nourse Rogers of Massachusetts proposed a new veterans' housing program for action by the 81st Congress.

The bill would grant charters to veterans' housing associations by the Veterans' Administration for acquiring homes for sale or rental to veterans; limit sales price of average dwelling units to $10,000; set interest rates at 4 percent or less, and provide a long-range secondary market for G-I housing loans.

STATE MEDIATION EFFORTS INCREASED 61% IN 1948

Albany, N. Y.—The 1,364 mediation cases disposed of by the New York State Board of Mediation during the first 10 months of 1948 represent a 61 percent increase over the number closed during the corresponding period of 1947, the State Labor Department reported. More than 200,000 workers were involved in the case load.

Two-thirds of the total, 960 cases, were closed following joint mediation conferences or indirect mediation activity. Of 702 cases which were potential stoppages at the time of intervention, only 70 developed into stoppages. In 100 other cases stoppages existed at the time of intervention. Agreements to arbitrate in the event of failure of mediation existed in 158 cases.

The remaining 404 cases were closed by withdrawal or settlement prior to joint conference.

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SUPPLEMENT

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WILLIAM GREEN, President
WASHINGTON, D. C., FRIDAY, JANUARY 7, 1949
GEORGE MEANY, Secretary-Treasurer

Taft-Hartley Law Repeal Provided in Senate Bill

Washington.—On the heels of President Truman's State of the Union message, administration forces moved to carry out his proposed recommendations in the field of labor legislation.

Senator Elbert Thomas of Utah, chairman of the Senate Labor Committee, introduced a bill in the Senate to repeal the whole of the Taft-Hartley law with the exception of a single administrative section which fixed the membership of the National Labor Relations Board as a 5-man body.

The effect of this proposed legislation, with the exception of the clause retaining a 5-member NLRB, will be to restore the Wagner Act, the Corrupt Practices Act, and the Hobbs Act to the status they held prior to the enactment of the Taft-Hartley law which amended their provisions.

The proposed action is along the lines of the plan suggested by the American Federation of Labor for the repeal of the Taft-Hartley law and the enactment of subsequent legislation. The AFL is determined not to consider any proposed changes in the Wagner Act until that law has been reinstated on the statute books. Once this has been accomplished, the AFL will be willing to discuss amendments to the Wagner Act which will improve collective bargaining procedures and contribute to a greater measure of labor-management peace.

In remarks on the floor of the Senate at the time he introduced the Taft-Hartley repeal bill, Senator Thomas made it clear that the repealer would not be the end of action on labor legislation.

He told the Senate that the process of repeal would "call for other legislation" as would President Truman's own recommendations to Congress, and that these additions would be "worked out as amendments" to the old Wagner Act, once that statute was back on the books. Mr. Thomas did not describe this "other legislation," but the President had recommended action against jurisdictional strikes and "unjustified secondary boycotts," and against "the use of economic force" to settle disputes over interpretations of labor contracts.

In addition to his bill to repeal the Taft-Hartley law, Senator Thomas offered other measures to raise the minimum wage from 40 to 75 cents an hour, and to grant about $300,000,000 in federal aid to education.

AFL Urges Building of Rental Housing; T-E-W Bill Held Inadequate For Big Task

Washington.—The American Federation of Labor called for new housing legislation, stronger and more effective than the Taft-Ellender-Wagner bill, which would place emphasis upon the construction of rental housing.

In a letter to President Truman, Harry C. Bates, AFL vice president and chairman of the AFL Housing Committee, urged the building of 1,000,000 public housing units over the next 5 years, and authorization of long-term, low-interest loans by the federal government to public and private groups for the construction of additional low-rent dwelling units.

The complete text of the AFL proposals for new housing legislation, as contained in Mr. Bates' letter to the President, follows:

"The American Federation of Labor has been in the forefront of the fight for adequate housing legislation centering around the Taft-Ellender-Wagner bill. However, because of the long delay in the enactment of this legislation and the consequent worsening of the housing crisis, we feel that the T-E-W bill is no longer adequate.

"The terrific inflation in the prices of new homes has convinced us that primary emphasis must now be placed upon the construction of rental housing. It is both grossly unfair and economically unsound to force low-income and moderate-income families to purchase homes at today's astronomical prices.

"We therefore respectfully make the following suggestions:

"(1) Public Housing. The total of 500,000 public housing units called for in the T-E-W bill has now become seriously inadequate. We have therefore, in our recent convention, called upon the 81st Congress to authorize immediately a minimum of one million units of public low-rent housing to be constructed during the next five years.

"(2) Other Aids to Rental Housing. The 50 percent of the nation's families with incomes between $2,000 and $5,000 have been almost totally neglected both in the thoroughly inadequate housing legislation enacted by the 80th Congress and even in the T-E-W bill. Large-scale construction of mutual and rental housing within the means of these families can only be achieved by authorization for long-term, low-interest loans made directly by the federal government to public agencies, cooperatives, non-profit and limited dividend corporations, and any private builders who will conform to the rent schedules established under this program.

"We also favor, in general and with some strengthening, the sections in the T-E-W bill relating to slum clearance, urban redevelopment, farm housing and housing research.

"We must build 15,000,000 homes during the next 10 years even if less essential types of construction must be deferred. Therefore, we respectfully suggest that you request of the Congress stand-by powers for the allocation of building materials."

Real Union Security Held Dependent Upon Political Activities

By JOSEPH D. KEENAN,
Director Labor's League for Political Education

The Supreme Court ruled unanimously that there is nothing in the Constitution to prevent an anti-labor state legislature from outlawing all forms of union security—closed shop, union shop or maintenance of membership.

The AFL members in the 15 states which presently outlaw union security under so-called "right to work" bills must accept the hard truth that neither the Supreme Court nor the repeal of the Taft-Hartley Act can save their unions from eventual destruction. No union is strong when its members are forced to work with scabs and free riders. A union can't be strong when faced with infiltration by company stooges and communist trouble makers. Nor can a union exercise effective responsibility in carrying out contract obligations with employers so long as disciplinary control over membership is denied by these laws.

This Supreme Court decision has taught us a lesson we shall not forget. The trade union movement will be strong only when we have elected at all levels of government public office holders friendly to the interests of the majority of our people. Throughout the next two years, Labor's League for Political Education will carry on a vigorous educational and political program in every state in the union to place in the legislatures men who are committed to the repeal of all anti-labor state laws.

BYRD COMMITTEE REPORTS RISE IN FEDERAL PAYROLL

The federal payroll in November had a net increase of 12,405, putting the net over-all total at 2,104,585, the Joint Committee on Reduction of Nonessential Federal Expenditures reported.

Senator Harry F. Byrd, Democrat, Virginia, chairman of the group, noted that the rise in the payroll from January through November was 110,415, with downward trends registered only in September and October.

Agencies reporting major increases in November, he said, were the Post Office Department with 9,764; the National Military Establishment, 3,285, and the Veterans Administration, 1,903. The agencies listing reductions by as many as 100 were the War Assets Administration (in liquidation), 773, and the Panama Canal, 289.

The government's payroll, the Senator added, is running in excess of $500,000,000 a month.

U. S. AID PROGRAM SPURS GREEK HEALTH SERVICES

Athens, Greece.—The people of Greece can now look forward to a real public health program, thanks to Marshall Plan aid. Construction of a modern medical warehouse project has now gotten under way. At a cost of $380,000, the project will consist of three warehouses for the storing of medical and sanitary supplies. The project is financed by counterpart funds created by grants to Greece by the Economic Cooperation Administration.

In addition to the warehouses, $30,000 is being spent for imported equipment and supplies.

The project was jointly designed by the Greek Ministry of Hygiene and the ECA. It is the first tangible evidence of the $10,000,000 public health construction program to be carried out during the present fiscal year by the Greek government and ECA.

AFL Organizes New Legislative Council

Washington.—The American Federation of Labor emphasized its determination to press for the outright repeal of the Taft-Hartley law as one of the first actions of the 81st Congress.

This course of action was urged unanimously by delegates attending the first session of the newly formed National Legislative Council which held its first meeting here since its creation by the AFL convention last November in Cincinnati.

At a press conference following the meeting, AFL President William Green and Secretary - Treasurer George Meany declared that the AFL would not consider proposing new labor legislation until the Wagner Act has been reenacted in place of the Taft-Hartley measure.

Amplifying this position, Mr. Meany said:

"If we put everything in one package it means we will have to bargain on the one package.

"That would mean taking the position Senator Robert A. Taft wants us to take. He is ready to bargain on amending the Taft-Hartley Act. We are not. If we take his position we would not bargain as free men. We will bargain on amendments after returning to the status quo prior to June 22, 1947."

Representatives of 80 AFL national and international unions attended the first session of the council which has for its main objective the coordination of legislative activities on the part of AFL affiliates. It is expected that the council's membership will soon include representatives from all of the 106 AFL unions.

To direct the work of the council, delegates at the meeting appointed a 7-member administrative committee headed by William C. Hushing, chief national legislative representative for the American Federation of Labor. The committee will meet monthly to plan strategy and map legislative campaigns.

Other members of the group include: Richard J. Gray, president of the AFL's Building and Construction Trades Department; Thomas Walters, of the Government Employes Council; George Q. Lynch, president of the Pattern Makers League; John B. Haggerty, president of the International Brotherhood of Bookbinders; A. E. Lyon, chairman of the Railway Labor Executives Association, and Fred Tobin, legislative representative for the International Brotherhood of Teamsters.

Labor, Management Aid Apprenticeship

New York.—Local labor-management committees were hailed as the "very backbone of apprenticeship in America" by William F. Patterson, director of Labor Department's Bureau of Apprenticeship.

In an address at the graduation ceremony of 54 apprentices in the electrical industry here, Mr. Patterson declared that "the accomplishments of your joint committee in carrying out the apprenticeship program is a splendid example of what can be done through management-labor cooperation, an outstanding demonstration of democracy at work in American industry."

Activities of local committees helped boost the total of apprentices in the construction industry to 133,250, a gain of 16 percent in 1948, Mr. Patterson said.

In the electrical industry alone, he asserted, there has been an increase of 1,650 apprentices during the past year. Out of a total of 19,000 men learning the electrical trade, 1,300 are employed in New York, he said.

Despite the progress that has been made in the development of skilled manpower throughout the United States, Mr. Patterson pointed out that there is still a serious shortage of craftsmen in some trades, and that this shortage will become even more acute if additional skilled workers are needed for the national defense program. With respect to the effect of the Selective Service draft on employment of apprentices, he said that while nothing as yet has been determined regarding their deferment, veterans with more than 90 days of military service during the war are not subject to the draft, and that they make up the majority of apprentices currently employed.

He also said that any apprentices who are drafted will have the benefit of credit for practical experience while in military service, provided that their experience is of the same nature as they would have received if they had continued their training under the apprenticeship program. Mr. Patterson said that he had been advised by the Bureau of Reemployment Rights of the U. S. Department of Labor that "advancement in these apprentice cases is conditioned on knowledge gained through actual experience, training and work," and that "military service in such cases cannot be used as a substitute for time on the job so as to complete the length of service requirement. The apprentice in such cases can receive credit for his military service as part of his training period only to the extent that his duties in military service were of the same nature as training he would have received under the apprentice training program."

COURT ORDERS LIFTING OF 'JIM CROW' BAN

Washington.—Restaurants at the National Airport in near-by Virginia dropped their racial bars in compliance with a federal court order upholding a government ban on segregation. The order was issued by Judge Albert V. Bryan.

Repeal of T-H Law Urged by Truman; Green Hails Proposed Steps on Labor Bill

In Substantial Accord With Labor's Stand, AFL Chief Says

Washington.—AFL President William Green hailed the proposals of President Truman for revision of the nation's labor laws and declared they are "substantially in accord with the views of the American Federation of Labor."

In a statement commenting on Mr. Truman's annual message on the State of the Union, the AFL leader said that legislation to strengthen collective bargaining and to promote a higher degree of labor peace "can best be attained by the 3-step method outlined by the President rather than by a single package bill urged by others."

In his message the President asked first for repeal of the Taft-Hartley law and then for reinstatement of the Wagner Act. He also proposed that several broad changes be made in the Wagner Act.

The complete text of Mr. Green's statement is as follows:

"President Truman's recommendations to Congress with regard to labor legislation are substantially in accord with the views of the American Federation of Labor.

"He asks, first, that the Taft-Hartley Act should be repealed. Secondly, he wants the Wagner Act reenacted. And, third, he suggests several broad approaches for improvement of the Wagner Act.

"The American Federation of Labor will be glad to cooperate in such a constructive program. After the Taft-Hartley Act is repealed and the original Wagner Act restored, we will be more than willing to give sympathetic consideration to suggested amendments to the Wagner Act which seek to strengthen the processes of collective bargaining and to promote a higher degree of labor-management peace.

"To our way of thinking, these desired objectives can best be attained by the three-step method outlined by the President rather than by a single-package bill urged by others.

"We are also highly encouraged by the other recommendations by the President dealing with housing, health, social security, education, increase of the minimum wage, the promotion of civil rights and the rebuilding of the Department of Labor. The President is carrying out his campaign promises. We trust that the 81st Congress will likewise make good on its pledges to the American people."

Newspapers Urged To Aid Labor Peace

Harrisburg.—James L. McDevitt, president of the Pennsylvania Federation of Labor, in a New Year's statement called on the owners and editors of Pennsylvania newspapers to aid in promoting industrial peace in the nation by featuring stories of employer-worker harmony.

"American employers and workers must unite in fighting their common enemy; newspaper headlines of industrial strife is food for the subversives abroad and in our midst," said McDevitt.

"Labor welcomes constructive criticism of its dealings with employers and any other matters which should be given full public view, but the press during the war and to the present has given the public the conception that labor-employer bargaining is one continuous conflict."

Declaring that the opposite is true, President McDevitt pointed out that over 100,000 labor and management agreements are made in the U. S. covering approximately 14,000,000 employes without difficulty. Less than 4,000 contracts result in stoppage or lockout and are usually settled within a matter of days. McDevitt stated that 24 out of every 25 contracts up for renegotiation in the past two years were peacefully settled without work stoppages. There are industries in our nation that haven't had a dispute with unions for periods running from 10 to 50 years. This side of the relationship between industry and labor should be given full support by the press."

"Many disputes are prolonged by misleading statements," McDevitt stated. "Such publicity usually results in name-calling and charges that develop breaches in employer-worker relations that take years to heal. Differences can best be settled by interested parties negotiating among themselves."

PRICES IN CANADA SHOW SLIGHT DECLINE

Ottawa.—Canada's soaring cost-of-living index finally broke, showing its first drop in 23 months, but government economists said it may be only a temporary recession.

The Statistics Bureau reported the index fell seven-tenths of a point between Nov. 1 and Dec. 1—from 159.6 to 158.9—for the first direct break since January, 1947, and the first drop of any consequence since September, 1945.

Highlights For Labor From President's Annual Message

Washington.—The following excerpts from President Truman's annual message on the State of the Union are of particular interest to organized labor:

PRINCIPLES OF OUR SOCIETY

During the last 16 years the American people have been creating a society which offers new opportunities for every man to enjoy his share of the good things of life.

In this society we are conservative about the values and principles which we cherish; but we are forward-looking in protecting those values and principles and in extending their benefits. We have rejected the discredited theory that the fortunes of the nation should be in the hands of a privileged few. We have abandoned the "trickle-down" concept of national prosperity.

Instead, we believe that our economic system should rest on a democratic foundation and that wealth should be created for the benefit of all.

The recent election shows that the people of the United States are in favor of this kind of society and want to go on improving it.

The American people have decided that poverty is just as wasteful and just as unnecessary as preventable disease. We have pledged our common resources to help one another in the hazards and struggles of individual life. We believe that no unfair prejudice or artificial distinction should bar any citizen of the United States of America from an education, or from good health, or from a job that he is capable of performing.

TAFT-HARTLEY LAW

At present the working men and women of the nation are unfairly discriminated against by a statute that abridges their rights, curtails their constructive efforts and hampers our system of free collective bargaining. That statute is the Labor-Management Relations Act of 1947, sometimes called the Taft-Hartley Act.

That act should be repealed.

The Wagner Act should be reenacted. However, certain improvements, which I recommended to the Congress 2 years ago, are needed. Jurisdictional strikes and unjustifiable secondary boycotts should be prohibited. The use of economic force to decide issues arising out of the interpretation of existing contracts should be prevented. Without endangering our democratic freedoms, means should be provided for setting up machinery for preventing strikes in vital industries which affect the public interest.

INFLATION

At the present time our prosperity is threatened by inflationary pressure at a number of critical points in our economy. The government must be in a position to take effective action at these danger spots. To that end I recommend that the Congress enact legislation for the following purposes:

1. To continue the power to control consumer credit and enlarge the power to control bank credit.
2. To grant authority to regulate speculation on the commodity exchanges.
3. To continue export control authority and to provide adequate machinery for its enforcement.
4. To continue the priorities and allocation authority in the field of transportation.
5. To authorize priorities and allocations for key materials in short supply.
6. To extend and strengthen rent control.
7. To provide standby authority to impose price ceilings for scarce commodities which basically affect essential industrial production or the cost of living, and to limit unjustified wage adjustments which would force a break in the established price ceiling.
8. To authorize an immediate study of the adequacy of production facilities for materials in critically short supply, such as steel; and, if found necessary, to authorize government loans for the expansion of production facilities to relieve such shortages, and to authorize the construction of such facilities directly if action by private industry fails to meet our needs.

SOCIAL SECURITY

The present coverage of the social security laws is altogether inadequate, and benefit payments are too low. One-third of our workers are not covered. Those who receive old age and survivors insurance benefits receive an average payment of only $25 a month. Many others who cannot work because they are physically disabled are left to the mercy of charity.

We should expand our social security program, both as to the size of the benefits and extent of coverage, against the economic hazards due to unemployment, old age, sickness and disability.

HEALTH AND EDUCATION

We must spare no effort to raise the general level of health in this country. In a nation as rich as ours it is a shocking fact that tens of millions lack adequate medical care. We are short of doctors, hospitals and nurses. We must remedy these shortages. Moreover, we need—and we must have without further delay—a system of pre-paid medical insurance which will enable every American to afford good medical care.

It is equally shocking that millions of our children are not receiving a good education. Millions of them are in overcrowded, obsolete buildings. We are short of teachers, because teachers' salaries are too low to attract new teachers, or to hold the ones we have. All these school problems will become more acute as a result of the tremendous increase in the enrollment in our elementary schools in the next few years.

I cannot repeat too strongly my desire for prompt federal financial aid to the states to help them operate and maintain their school systems.

The governmental agency which now administers the programs of health, education and social security should be given full departmental status.

DEPARTMENT OF LABOR

The Department of Labor should be rebuilt and strengthened, and those units properly belonging within that department should be placed in it.

MINIMUM WAGE

The health of our economy and its maintenance at high levels further require that the minimum wage fixed by law should be raised to at least 75 cents an hour.

HOUSING

The housing shortage continues to be acute. As an immediate step, the Congress should enact the provisions of low-rent public housing, slum clearance, farm housing and housing research which I have repeatedly recommended. The number of low-rent public housing units provided for in the legislation should be increased to 1,000,000 units in the next seven years. Even this number of units will not begin to meet our need for new housing.

Most of the houses we need will have to be built by private enterprise, without public subsidy. By producing too few rental units and too large a proportion of high-priced houses, the building industry is rapidly pricing itself out of the market. Building costs must be lowered.

The government is now engaged in a campaign to induce all segments of the building industry to concentrate on the production of lower priced housing. Additional legislation to encourage such housing will be submitted.

The authority which I have requested, to allocate materials in short supply and to impose price ceilings on such materials, could be used, if found necessary, to channel more materials into homes large enough for family life at prices which wage earners can afford.

TAXES

One of the most important factors in maintaining prosperity is the government's fiscal policy. At this time it is essential not only that the federal budget be balanced but also that there be a substantial surplus to reduce inflationary pressure and to permit a sizeable reduction in the national debt, which now stands at $252,000,000,000.

I recommend therefore, that the Congress enact new tax legislation to bring in an additional $4,000,000,000 of government revenue. This should come principally from additional corporate taxes. A portion should come from revised estate and gift taxes. Consideration should be given to raising personal income tax rates in the middle and upper brackets.

CIVIL RIGHTS

The driving force behind our progress is our faith in our democratic institutions. That faith is embodied in the promise of equal rights and equal opportunities which the founders of our republic proclaimed to their countrymen and to the whole world.

The fulfillment of this promise is among the highest purposes of government. The civil rights proposals I made to the 80th Congress, I now repeat to the 81st Congress. They should be enacted in order that the federal government may assume the leadership and discharge the obligations clearly placed upon it by the Constitution.

I stand squarely behind those proposals.

Chief Executive Urges Broad Social Plans on 81st Congress

Washington.—President Truman made good his campaign promise to organized labor by calling for the repeal by the Congress of the Taft-Hartley law and enactment of the Wagner Act in its place.

In his annual message on the State of the Union, the President proposed this course of action and then recommended several broad changes in the Wagner Act to bring about certain improvements in the nation's labor policy.

The comprehensive, 3,000-word message followed closely the Democratic platform's social legislation program and recommended action by the Congress on many issues of vital interest which labor has sought for years without success.

Improvements in the Wagner Act recommended by the President include the prohibition of jurisdictional strikes and "unjustifiable" secondary boycotts; the prevention of strikes or lockouts "to decide issues arising out of the interpretation of existing contracts;" and procedures for the settlement or prevention of strikes in vital industries affecting the public interest.

In addition to his program for labor legislation, Mr. Truman proposed the following:

1. Increased taxes in the amount of $4,000,000,000 to come primarily from corporate revenues.
2. An anti-inflation program including credit curbs, speculation control, regulation of exports, the allocation of materials in short supply, continued allocation authority in the transportation industry, extension and strengthening of rent control, stand-by authority to fix prices and limit wage increases, and authority for federal loans for the expansion of production facilities, and in some instances the construction of facilities by the government.
3. The broadening of the social security system to widen its coverage and increase its benefits.
4. The enactment of a system of prepaid national medical care insurance.
5. Federal aid to the states for improvement of the nation's school systems.
6. Rebuilding of the Labor Department into an effective, strong agency.
7. Lifting of the minimum wage from 40 cents an hour to "at least 75 cents an hour."
8. The erection of 1,000,000 low-rent public housing units in the next 7 years and measures to bring down the cost of building to promote the erection of lower-priced housing.
9. The enactment of a civil rights program to provide equal rights and opportunities for all.
10. Maintenance of armed forces sufficient to deter aggression, including the establishment of a universal military training program.
11. Pursuit of a foreign policy based upon international cooperation and support of the United Nations, the European Recovery program and the Good Neighbor Policy.
12. Restoration of the Reciprocal Trade Agreements to full force and effectiveness for a period of 3 years.
13. Continuance of the farm price support program to promote agricultural prosperity.

ERP Provides Jobs For 100,000

Roubaix, France.—In this industrial center near the Belgian border, the Marshall Plan is providing productive jobs for 100,000 workers, Mayor Victor Provo said. Speaking at a city hall reception for David K. Bruce, Economic Administration chief, Provo described the way in which the plan is helping his city.

"What would become of our textile centers here in Roubaix-Tourcoing, with its 100,000 workers," he asked, "if credits were not put at our disposal to buy materials indispensable to the operation of our factories?

"The answer is easy; there would inevitably be prolonged unemployment with all its accompanying misery—which would be exploited for purposes perfectly clear to all of us."

Provo was referring to Communist exploitation.

He told his audience that the motives of the American people in setting up the European Recovery Program were good motives.

"The American people have understood that they cannot live in prosperity if misery exists in one of the more important areas in the world," he said. "It can be said that prosperity, like peace, is indivisible."

The mayor stressed that France must "take cognizance of the fact that American aid will eventually cease and that we would be guilty of fritting away the tremendous possibilities offered us if we did not think of and prepare for the future."

The true meaning of the Marshall Plan is known to the people of Roubaix, Provo indicated, and added that few people of the town had any doubts about it.